

# **EXHIBIT 12**

**To:** Sunderwala, Meeta[meeta.sunderwala@hp.com]; Wong, Lynda (EFR)[lynda.wong@hp.com]; Blank, John[john.blank@hp.com]  
**From:** Harvey, Kathryn  
**Sent:** Mon 10/7/2012 8:42:06 PM  
**Importance:** Normal  
**Subject:** RE: HP 350 Draft Exhibits

Wow, we are going to have to use some crazy discount rates to get this down to 30%. It still seems ridiculous to me that there isn't some reasonable range around 30 % that EY could live with. Loved the comment about EY not being concerned about nonsensical answers because that is what it is going to be! At least SW had one of the higher discount rates to begin with, but I have a feeling by the time we get done with this they will have the lowest.

**From:** Sunderwala, Meeta  
**Sent:** Saturday, October 06, 2012 3:26 PM  
**To:** Wong, Lynda (EFR); Harvey, Kathryn; Blank, John  
**Subject:** RE: HP 350 Draft Exhibits

Lynda,

Thanks very much for putting this analysis together. It is very helpful for me to see how much more it will take to get to 30%. Wow—looks like we will have to add twice as much (and probably more) premium to the discount rates than the increment already added. Crazy!

Since neither Govind or Greg brought up the concern about getting nonsensical answers from a valuation perspective when we keep pushing the values down and agreed to the 30% yesterday, I guess we have no choice but to solve to 30% premium on the August 1<sup>st</sup> price.

I will send D&P a note tomorrow regarding next steps.

Lastly, I am worried that you are burning the midnight oil on a Friday night. I am hoping

you had insomnia and thought goodwill impairment would put you right to sleep J

Thanks,  
Meeta

**From:** Wong, Lynda (EFR)  
**Sent:** Saturday, October 06, 2012 2:02 AM  
**To:** Sunderwala, Meeta; Harvey, Kathryn; Blank, John  
**Subject:** RE: HP 350 Draft Exhibits

Meeta,

You are right. Even if we reduced the values based on the added premiums, we are still at 57% premium over the 8/1 price (based on the 10/5 version sent by Russ on Friday).

In order for us to get to a 30% premium, we need to shave off approximately \$9B more. For a 40% premium, we need an additional reduction of fair value of approx \$6B. Refer to tab 2 of the attached for details. Not really sure how else to get the values down other than keep increasing the discount rates?

I've also done a compare between the 10/5 version against the 10/3 version to show differences in discount rates and fair values (see tab 1 of the attached).

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**From:** Chapman, Russell [<mailto:Russell.Chapman@duffandphelps.com>]  
**Sent:** Friday, October 05, 2012 4:16 PM  
**To:** Sunderwala, Meeta; Harvey, Kathryn; Wong, Lynda (EFR); Blank, John  
**Cc:** Franceschi, Greg; Kongmuang, Anisa  
**Subject:** RE: HP 350 Draft Exhibits

Meeta – Attached please find the summary page and market recon using the higher discount rates. Note that we have also revised some of the market recon information. Also note that the increased discount rates only decreased the overall value by ~\$4b.

Also attached is the SW market approach using today's share prices. The value has actually increased over \$1B since 8/1/12.

Have a good weekend.

Regards,

Russ

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**From:** Sunderwala, Meeta [<mailto:meeta.sunderwala@hp.com>]  
**Sent:** Friday, October 05, 2012 9:00 AM  
**To:** Chapman, Russell; Harvey, Kathryn; Wong, Lynda (EFR); Blank, John  
**Cc:** Franceschi, Greg; Kongmuang, Anisa  
**Subject:** RE: HP 350 Draft Exhibits

Greg and Russ,

I had a conversation with Levine yesterday and was able to discuss weighting of risk premiums. Can we try the following changes:

- 1) Add 1.25 ppt discount rate to Autonomy and ES (most execution risk)
- 2) Add 0.75ppt to IPG and PSG (second most execution risk)
- 3) You can add 0.25 ppt to Software, TS and ESSN if looks like we need more downward pressure; otherwise, keep as is (not sure if Software can handle it...)

I want to see if that gets us in a better position on the Aug 1<sup>st</sup> comparison since we are still at 68% for that compare which optically is not going to fly with EY, so making these changes later today is fine.

I'm not handing out any numbers to EY today, but will throw out certain numbers

on Autonomy or Software as these topics come up.

Thanks,

Meeta

**From:** Chapman, Russell [mailto:[Russell.Chapman@duffandphelps.com](mailto:Russell.Chapman@duffandphelps.com)]  
**Sent:** Wednesday, October 03, 2012 5:21 PM  
**To:** Sunderwala, Meeta; Harvey, Kathryn; Wong, Lynda (EFR); Blank, John  
**Cc:** Franceschi, Greg; Kongmuang, Anisa  
**Subject:** HP 350 Draft Exhibits

All – Attached please find a draft with the revised Software values.

Regards,

Russ

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